

AN ORDINANCE

96895

AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO EXECUTE A CONTRACT WITH WHP HEALTH INITIATIVES, INC., D/B/A/ WALGREENS HEALTH INITIATIVES, TO PROVIDE PRESCRIPTION DRUG PROGRAM RETAIL AND MAIL ORDER SERVICES UNDER THE CITY'S SELF-FUNDED HEALTH BENEFITS PROGRAM FOR A TERM OF THREE (3) YEARS, BEGINNING JANUARY 1, 2003 AND ENDING DECEMBER 31, 2005, WITH AN OPTION TO EXTEND THE CONTRACT FOR UP TO TWO (2) ONE (1) YEAR EXTENSIONS, IN AN ESTIMATED BUDGETED ANNUAL AMOUNT OF \$7,710,849.00 SUBJECT TO AND CONTINGENT UPON FUNDING AND APPROVAL BY CITY COUNCIL.

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**WHEREAS**, the City offers its employees and retirees covered under its CitiMed self-funded health benefits program a prescription drug benefit, allowing them to purchase covered prescription medications for affordable co-payments; and

**WHEREAS**, the City utilizes the services of a prescription benefit manager (PBM) to obtain discounts for prescriptions purchased from participating network pharmacies and a mail order facility, allowing CitiMed to control the cost of prescription claims, which have increased at a rate higher than inflation over the past several years; and

**WHEREAS**, the Human Resources Department issued a Request for Proposal (RFP) for PBM services, received ten (10) responses and had them reviewed and scored by a technical committee who recommended finalists to be interviewed; and

**WHEREAS**, the RFP Selection Committee, composed of representatives from various departments, interviewed and scored five (5) finalists according to the evaluation criteria which included scope of services, qualification and experience of personnel assigned to the City account, fee schedule, financial stability, experience with public and private sector clients, references, SBEDA compliance and presentation/interview; and

**WHEREAS**, as a result of the RFP process, the RFP Selection Committee unanimously recommended that WHP Health Initiatives, Inc. d/b/a Walgreens Health Initiatives, be awarded the contract to provide PBM services under the City's self-funded health benefits program; **NOW THEREFORE**:

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:**

**SECTION 1.** The City Manager or her designee is hereby authorized to execute a contract for prescription benefit management services with WHP Health Initiatives, Inc., d/b/a Walgreens Health Initiatives. A copy of the contract, in substantially correct form, is attached hereto as Exhibit A. A copy of the Request for Proposal and the proposal submitted by WHP Health Initiatives, Inc. d/b/a Walgreens Health Initiatives will be on file in the Human Resources Department.

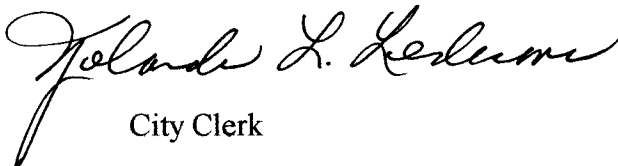
**SECTION 2.** The estimated amount of \$7,710,849.00 has been appropriated in the Employee Benefits Fund (75-002000), Activity 10-02-01, Index Code 664045, for a budget of \$2,066,373.00; Index Code 664052, for a budget of \$2,741,986.00; Index Code 691436, for a budget of \$1,283,002.00; and Index Code 691444 with a budget of \$1,619,488.00 and payment thereof is authorized to be made in accordance with the terms of the contract authorized herein. The contract period is for a term of three (3) years, beginning January 1, 2003 and ending December 31, 2005, with an option to extend the contract for up to two (2) one (1)-year extensions. This Ordinance authorizes payment for the contract term.


**SECTION 3.** This ordinance shall be effective on and after the tenth day after passage hereof.

PASSED AND APPROVED this 12<sup>th</sup> day of December, 2002.

  
MAYOR  
EDWARD D. GARZA

ATTEST:

  
City Clerk

APPROVED AS TO FORM:   
City Attorney